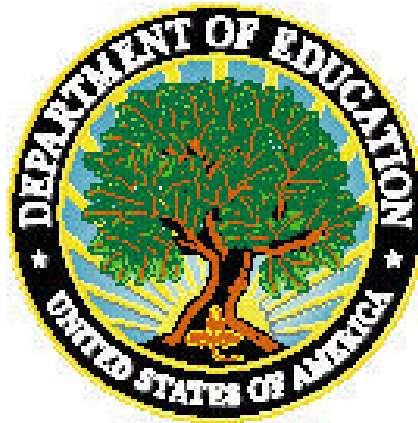


SFA Modernization Partner Project LEGACY CONTRACT TRANSITION PLAN

Central Processing System (CPS)



Part 1 System Write-up

CENTRAL PROCESSING SYSTEM (CPS)

CHANNEL:	Students
BUSINESS MANAGER:	Jeanne Saunders
COTR:	Nancy Reynolds
CONTRACTOR:	NCS
CONTRACT NUMBER:	PM-95-0090-01
CONTRACT AWARD DATE:	August 14, 1995
CONTRACT EXPIRATION DATE:	March 31, 2003
ANNUAL CONTRACT COSTS:	\$35 million

CPS is responsible for the processing of Student Aid Applications (FAFSA's) and the development of software for schools to process student aid. In addition, CPS is responsible EDEExpress, a PC-based product given to schools for their use to effect interfaces with most of the OSFA systems. While EDEExpress is a single product it does contain different modules for the different OSFA stovepipe systems. It is a "school" administration program. The schools then use EDConnect or the web to get to the TIV-WAN, which then directs the information to the proper stovepipe system.

The system is run on an IBM mainframe. The system now has web-based capabilities but this is a recent development and, while the web function has not worked well yet, it does have all the underlying data and should mature over time. The computer processing for CPS was migrated to the VDC in June 1999. The school year development is based on 3-year cycles and therefore the expiration date of the contract is of concern to the Business Manager.

CPS FUNCTIONS

Aid Applications:

CPS is responsible for processing all applications for aid. Included in the processing procedures are the following:

- Prescreening of applications for students who have loans outstanding which are in default
- Prescreening of applications for students who have other loans outstanding, which may be able to be consolidated
- Submission of student information to other government agencies (e.g., IRS, INS, DOJ, etc.)

For the most part CPS does not send any information to the other OSFA systems. Rather, it processes applications and sends this information to the schools, who determine which students, gets which funds (FFEL, Direct Loans, Perkins Loans, SEOG grants, Federal Work-Study funds) and other government agencies. Except for providing guidelines and calculating family responsibilities, CPS does not determine who gets what funds.

CPS also operates 2 call centers, both of which offer only technical advice. The Student Call Center for technical assistance with "FAFSA on the Web" and FAFSA Express – instructions for operating on the

web. The School Call Center supports CPS functions and is used by schools for technical assistance in operating ISIR data, EDEExpress, etc.

WHO USES CPS?

External Users:

- Schools
- Students
- Financial Institutions (Lenders and Guaranty Agencies)
- Other Federal Agencies
 - GAO
 - IRS
 - SSA

Internal Users:

- Dept. of Education CFO

ANNUAL CONTRACT COST – OFSA FUNCTION PERCENTAGES

The annual contract costs for CPS are approximately \$35 million. The approximate percentages and annual cost for the base OFSA functions (as outlined in the OFSA Contracts/functions Matrix) are as follows:

Customer Service – Schools	50%	\$17.5 million
Loan Applications	50%	\$17.5 million

PLANNED ENHANCEMENTS

Development of School Year 2001-2002

PROBLEMS

- Development for School Year 2001-2002 requires a speedy decision on renewal of this contract.
- While this contract does not expire until March 31, 2002, the Business Manager has a concern because the contract runs in cycles and the cycle for the 2001-2002 school year runs from March 2000 through December 2002. Since the contract expires on December 31, 2001, the Business Manager is concerned about this. Additionally, the cycle for the 2001-2002 school year begins in March 2001 and ends December 2002, which adds greater concern for the Business Manager.